

Outline of Contents

MOTOR VEHICLES (FORMS)

I. Direct Payment Plans (for Loss or Damage to the Insured Motor Vehicle)

- A. Repair Shop Coverage [MGL c.175, s.113T](#)
- B. Direct Payment and Referral Shop Program [211 CMR 123.00](#)

II. Optional Participating Repair Shop Endorsement Plans

- A. Plan Requirements [211 CMR 56.00](#)

III. Motor Vehicle Policies

A. Compulsory Motor Vehicle Liability Policies

- 1. Requirements [MGL c.175, s.113A](#)
- 2. Cancellations [MGL c.175, s.22C](#)
- 3. Riders and Endorsements [MGL c.175, s.192](#)

B. Required & Optional Coverages

1. Bodily Injury and PIP

- (a) Definitions [MGL c.90, s.34A](#)
- (b) Scope and Coverage [MGL c.90, s.34M](#)

2. PDL, Collision, Limited Collision

- (a) Scope / Optional Coverages / Direct Payment [MGL c.90, s.34O](#)
- (b) Physical Damage / Mandatory Coverage [MGL c.175, s.191A](#)
- (c) Inspection [MGL c.175, s.113S](#)

3. Uninsured Motorist Liability

- (a) Scope, Definition, Notice [MGL c.175, s.113L](#)
- (b) Contents of Endorsement [MGL c.175, s.111D](#)

4. Comprehensive

- (a) Scope / Deductibles / Direct Payment [MGL c.175, s.113O](#)
- (b) Inspection Requirements [MGL c.175, s.113S](#)

5. Medical Payments

- (a) Scope [MGL c.175, s.111C](#)

IV. Combination Policies / Liability Insurance

- A. Who May Issue / Requirements [MGL c.175, s.111A](#)

B. Issuance by Mutual Companies [MGL c.175, s.111B](#)

V. Non-owner Operator/Hired Motor Vehicle Auto Liability Endorsement to General Liability Policy [MGL c.90, s. 34Q](#)

VI. [Combinations of Hazards MGL c. 175, s22A](#)

VII. [Antique Automobiles](#)

VIII. [Additional Filing Provisions](#)

I. Direct Payment Plans (for Loss or Damage to Insured Motor Vehicle)

A. Chapter 175: Section 113T: Repair shop coverage

Scope of Coverage

_____ A motor vehicle liability policy may, upon approval by the Commissioner and by endorsement prescribed by the Commissioner, include coverage, at the insured's option, pursuant to which the insurer will repair damage to insured motor vehicles, in accordance with collision or limited collision coverage provided under MGL c. 90, s. 34O or comprehensive coverage provided under sections 113C and 113O of chapter 175, at participating repair shops.

Repair Shop Contracts

One or more registered automobile damage repair shops may contract with an insurer or insurers as a participating repair shop to repair damage to insured motor vehicles covered under a participating repair shop endorsement.

Reduction in Premiums

_____ An insurance company offering a participating repair shop endorsement shall provide an appropriate reduction in the premium charges for such coverages, which shall be subject to approval by the Commissioner, and such company shall provide any information in support of its reduction as may be required by the Commissioner.

B. 211 CMR 123 Direct Payment of Motor Vehicle Collision and Comprehensive Coverage Claims and Referral Repair Shop Programs

123.04: Procedure for approval of plans

(1) Who May File and Deviations From Plan

Any insurer may file a direct payment plan for approval by the Commissioner.

_____ Any licensed insurance rating organization may file a direct payment plan on behalf of its members ("industry plan"), provided that each insurer member of the rating organization which intends to implement such plan shall individually file

notice of its intention to adopt the industry plan before actively implementing the plan.

_____ Any insurer may file for approval a plan that adopts some provisions of an industry plan without adopting the entire plan, but to the extent such individual plan deviates from the industry plan by omitting, adding or changing any particular provision, it shall require separate approval by the Commissioner.

_____ Any insurer filing a plan that deviates from an industry plan shall specify in detail the differences between the plans.

(2) Time for Filing

_____ Any direct payment plan shall be filed at least 60 days prior to its effective date.

_____ Any notice of an insurer's intention to adopt an industry plan shall be filed at least 14 days prior to the insurer's implementation of the said plan, but in no event shall the insurer's implementation of the plan take place prior to the effective date of the industry plan, provided such plan has been approved.

(3) Method and Contents of Filing

_____ An insurer or rating organization seeking approval of a plan shall file 5 copies of the proposed plan with the Commissioner.

_____ Any form intended to be used in connection with a proposed plan and which is to be delivered to consumers shall be included in the filing.

(4) Consideration of Proposed Plan / Hearing

Upon receipt of a proposed plan, the Commissioner shall promptly schedule a hearing to determine whether the plan is consistent with MGL c.90, §340 (collision) and MGL c.175, §113O (fire, theft and comprehensive) as amended, with 211 CMR 123.00, and with other applicable laws and regulations, and whether the plan would carry out the purposes of MGL c.90, §340 and MGL c.175, §113O (fire, theft and comprehensive).

No hearing shall be required in connection with an insurer's plan, which the Commissioner determines does not substantially deviate from a previously approved plan. The Commissioner may schedule more than one (1) plan to be considered at any given hearing and may require an insurer or any other party to the hearing to submit other or further information for purposes of considering the plan. The insurer or rating organization that filed the plan, and any other interested person, may file written materials in support of or in opposition to the plan.

(5) Timing of Hearing

The Commissioner shall schedule the hearing to begin no less than 21 days after the plan is filed. The party filing the plan and other persons affected shall be notified of the date of the hearing at least 10 days in advance.

(6) Approval or Disapproval of Plan

After hearing, the Commissioner shall approve or disapprove the plan in writing and if the plan is disapproved or modified, shall state the reasons for the decision. Approval of a plan may be conditioned upon its modification, including a change in its effective date. The Commissioner may, prior to approving or disapproving a plan, request the party filing it to supplement or modify it.

(7) Effective Date of Plan

_____ The benefits of an approved plan shall be made available to all claimants submitting claims arising from accidents or other losses occurring on or after the effective date of the plan, unless and until the approval of the plan is revoked or the plan is otherwise terminated in accordance with 211 CMR 123.04(9), or unless and until the insurer implementing such plan ceases to do so in accordance with 211 CMR 123.04(10).

211 CMR 123.05 Direct payment plans; required provisions

No plan shall be approved unless it contains each of the following provisions:

(1) Payment to the claimant

_____ The insurer shall offer to pay every claimant for the loss of or damage to the insured motor vehicle under collision coverage, limited collision coverage or comprehensive coverage the full amount, less any applicable deductible, of the cost of repair of the damage as described in an appraisal made by a licensed automobile damage appraiser employed or designated by the insurer, subject to the terms and conditions of the applicable insurance policy. In the case of property damage liability claims, the insurer may make such offer to the person to whom such liability payments are owed.

_____ Unless such direct payment is refused by the claimant, the insurer shall make such payment at the time of, or within 5 business days after, the preparation of said appraisal. In no event shall payment be made prior to provision of a copy of the appraisal to the claimant. Nothing in 108 CMR 123.05 be construed to affect the right of any insurer to delay payment for a period of time reasonably necessary to investigate any claim before authorizing repair work or making payment on such claim.

_____ If the claimant refuses such direct payment, the insurer shall comply with applicable laws and regulations relating to such payments without regard to the plan.

(2) Form of Payment

_____ The payments described in 211 CMR 123.05(1) shall be in cash or a negotiable instrument payable to the claimant, and the lienholder, if applicable.

(3) Repair certification

_____ Each claimant shall receive, with the appraisal and direct payment check, a repair certification form, the form for which shall be included as part of the filed plan.

The repair certification form shall at a minimum contain the following:

- _____ (a) An explanation of the claimant's rights and obligations with respect thereto.
- _____ (b) Certification that the repair work has been completed.
- _____ (c) Identification of the repair shop or individual who performed the repair work.
- _____ (d) An agreement that the claimant will permit the insurer to reinspect the repaired vehicle within a reasonable period of time after the return of the repair certification form.

_____ The claimant shall return the repair certification form to the insurer upon completion of the repairs. If the claimant elects not to repair the vehicle or if the repair certification form is not returned to the insurer, the actual cash value of the insured vehicle will be reduced by the amount of the claim payment plus any applicable deductible, unless and until such time as the insurer or any successor insurer receives a repair certification form.

(4) Resolution of Consumer Disputes

_____ If the claimant disputes the accuracy of the appraisal or the amount of the payment based thereon, the insurer shall resolve such dispute as follows:

- _____ (a) The claimant, or the claimant's representative or repair shop at the direction of the claimant, must notify the insurer by telephone or in writing if the cost of repairs is expected to exceed the amount of the payment plus any applicable deductible and the claimant is seeking to have the insurer pay any part of the difference. Such notice must be prior to, or in the course of, the repair work.
- _____ (b) The insurer shall promptly evaluate the source of any differences between the insurer's appraisal and the cost of repairs and either authorize or deny a supplemental payment within 3 business days after the notification of such difference and inspection of the vehicle. During such 3-day period, the insurer may inspect the vehicle and if it so requests, the claimant or repair shop shall make the vehicle available for inspection by the insurer. The insurer shall not delay such inspection for more than 3 days without the consent of the claimant. If the insurer makes a timely request for inspection the insurer will either authorize or deny a supplemental payment within 3 business days after the inspection. The claimant may direct the insurer to make any supplemental payment to the repair

shop, provided the repair shop is registered under MGL c. 100A. Otherwise, any supplemental payment must be made directly to the claimant.

_____ (c) If the claimant and the insurer are unable to reach agreement as to any dispute as to the amount of the payment by the insurer, either party may demand arbitration of the dispute. The demand for arbitration must be in writing and it must include an appraisal of the cost of the repair prepared by a licensed automobile damage appraiser and an itemized bill for the actual cost of the repair, if the repair has been completed. The arbitration will be conducted pursuant to General Provision Section 11 of the Massachusetts Standard Automobile Insurance Policy and the applicable provisions of MGL c. 175, § 191A (arbitration provision). Notwithstanding this provision, the claimant may, without prejudice, pursue any other remedy, which may be available.

_____ (d) If the repair is made at a registered repair shop which is an insurer referral shop as provided in 211 CMR 123.06, neither the repair shop nor the insurer shall require the claimant to pay more than the amount of the direct payment plus the amount of any applicable deductible to have the repair work completed, and any dispute as to the amount of the appraised damage shall be resolved between the referral repair shop and the insurer.

(5) Repair Shop Referral

_____ The plan must provide for insurer referral repair shops as provided in 211 CMR 123.06.

(6) Disclosures to Consumers

_____ The plan must provide for full and accurate disclosures to consumers as provided in 211 CMR 123.07.

211 CMR 123.06: Referral repair shop programs

(1) Consumer's Choice of Shop

_____ Any No direct payment plan approved under 211 CMR 123.000, and no insurer in implementing such plan, shall require a claimant to have repairs made at any specific repair shop.

(2) Number of Shops, Locations and Names

_____ (a) Every plan must provide that every claimant will be given a single list containing the names and locations of all registered repair shops as defined in 211 CMR 123.03 that appear on the list of registered repair shops maintained by the Division of Standards pursuant to MGL c. 100A, § 6. **(Note: DOI Bulletin 94-03 allows insurers to send list of all registered repair shops in the county. See selection entitled Bulletins on DOI website for full details.)** The insurer may indicate by clearly marking with an asterisk or other means of highlighting on the list of all registered repair shops at least 5 repair shops geographically convenient

for the claimant which will perform the repairs on referred claims without undue delay. An insurer shall not provide a separate list containing only its referral shops. A repair shop may not be an insurer's referral shop unless that repair shop appears on the list of all registered repair shops maintained by the Division of Standards and complies with the provisions of MGL c. 100A. The claimant may or may not choose to use an insurer's referral shop.

_____ (b) The list of all registered repair shops maintained by the Division of Standards pursuant to MGL c. 100A, § 6 shall be updated quarterly. The Automobile Insurers Bureau of Massachusetts or any successor thereto shall maintain a separate list containing the names and locations of all registered repair shops as defined in 211 CMR 123.03 that appear on the list maintained by the Division of Standards. For the purposes stated in 211 CMR 123.06(2)(a), every insurer with an approved Direct Payment Plan shall reproduce the listing of all registered repair shops maintained by the Automobile Insurers Bureau of Massachusetts or any successor thereto. The list given to the claimants by the insurers pursuant to 211 CMR 123.06(2)(a) shall not exceed 12 standard size (8 1/2 by 11 inches) pages unless the Commissioner has given a written waiver of this requirement.

_____ (c) Any individual insurer wishing to implement a plan which does not contain at least 5 repair referral shops geographically convenient for the claimant which will perform the repairs on referred claims may petition the Commissioner for a waiver of this requirement. The insurer seeking such a waiver shall set forth the specific facts regarding market share, geographic location, availability of repair shops, or other circumstances in support of its petition. No insurer may implement a plan, which does not meet this requirement unless and until the Commissioner has granted a petition for waiver.

(3) Insurer's Choice of Shops

(a) Insurer's referral shops shall include only shops:

1. which are registered repair shops; and
2. which have entered into an agreement satisfactory to the insurer, to complete repairs for claimants referred by the insurer without undue delay, for the amount of the direct payment to the insured plus any applicable deductible, plus any supplemental payment authorized by the insurer.

(b) In determining which registered repair shops will be referral shops, the insurer shall consider all of the following criteria, and only the following criteria: the quality and cost of repairs at a particular shop, the quality of the service given the customer, the responsiveness of the shop to the customer's needs, the ability of the shop to perform repairs without undue delay, the geographic convenience of the shop for the claimant, cooperation of the shop with the pre- and post-repair inspections and the shop's compliance with applicable laws and regulations.

Each individual insurer shall maintain written guidelines incorporating these criteria as applied by the insurer in implementing its plan; such guidelines shall be deemed to be a part of the individual insurer's plan. While individual insurers, which have adopted an industry plan, shall maintain such written guidelines, under no circumstances shall a rating organization which files an industry plan propose or maintain such guidelines. Individual insurers' guidelines shall be made available to the Commissioner upon her request and shall also be made available to any repair shop in the event the insurer denies that shop's request to be a referral shop or revokes the referral shop agreement of any referral shop.

A repair shop shall be included as an insurer's referral shop if the shop agrees in writing to comply fully with the plan, unless the shop's request is denied or the shop's referral shop agreement is revoked pursuant to 211 CMR 123.06(4), and is determined by the insurer not to satisfy one or more of the criteria listed above. The form of agreement between the insurer and the insurer's referral shops may provide adequate assurances that the repair shop will continue to satisfy the insurer as to such criteria.

(4) Development and Changes of Referral Shops

An insurer may deny a repair shop's request to be a referral shop or revoke a referral shop's agreement, provided the insurer files a statement with the Commissioner specifying the nature of the shop's failure to comply with the plan or with the agreement or proposed agreement between the insurer and the repair shop. A repair shop which claims that it has been improperly denied as a referral shop or whose referral shop agreement has been revoked may demand arbitration. Such binding arbitration shall be conducted by a neutral arbitrator jointly agreed to by the insurer and the repair shop, or, in the absence of such agreement, within 21 days of submission of the request for arbitration to the insurer, by an arbitrator selected by the Commissioner. The parties to the arbitration shall bear the costs of the arbitration equally, but the losing party shall be liable to the prevailing party for its costs, unless the arbitrator orders otherwise. If the arbitrator finds that the losing party acted in bad faith, he or she may also award the prevailing party attorney's fees, if any. The arbitrator shall determine whether the repair shop was improperly denied, but shall make no finding or order as to any damages other than the award of costs and/or attorney's fees, if any. The decision of the arbitrator shall be final.

(5) Insurer's Guarantee

If a claimant has repairs performed at a repair shop included on the insurer's list, then the insurer shall guarantee the quality of the materials and workmanship used in making the repairs. No insurer may petition the Commissioner for a waiver of this requirement. This guarantee by the insurer shall be in addition to all other guarantees, which may be made by the manufacturer and the repair shop. The agreement between the insurer and the repair shop may provide for indemnification of the insurer by the repair shop for any costs associated with such guarantee under such terms and conditions, as the parties to the agreement shall specify.

(6) Reinspection Requirements

Every plan shall provide that the insurer shall have a licensed automobile damage appraiser reinspect vehicles following completion of repairs as follows:

- _____ (a) with respect to repairs as to which the appraisal indicates that the cost is expected to exceed \$4,000, at least 75% of such vehicles shall be reinspected;
- _____ (b) with respect to repairs as to which the appraisal indicates that the cost is not expected to exceed \$4,000, at least 25% of such vehicles shall be reinspected.
- _____ In no event shall the selection of vehicles for reinspection be based on the age or sex of the policyholder or of the customary operators of the vehicle, or on the principal place of garaging the vehicle, or on whether the repairs were performed at a repair shop that is not a referral repair shop.

211 CMR 123.07: Disclosures to consumers

Disclosure Requirements

- _____ Every claimant under a plan shall be given full and adequate disclosure on a form approved by the Commissioner.

Contents and Time of Disclosures

The disclosure form shall be given with the appraisal and at such other times as the insurer may determine, and shall state, with the appraisal and at such other times as the insurer may determine, and shall state that:

- _____ (1) the claimant may elect to accept direct payment under the plan and receive a list of all registered repair shops pursuant to 211 CMR123.06 (2), or he or she may choose to pursue the claim without regard to the plan;
- _____ (2) if the claimant accepts direct payment, he or she may choose to have repairs made at any repair shop, whether or not the shop is an insurer's referral shop;
- _____ (3) if the claimant accepts direct payment, the claimant may choose a shop that is an insurer's referral shop in which case the insurer will guarantee the materials and workmanship of the repair, and the cost of the repair to the claimant will not exceed the amount of the insurer's direct payment to the claimant plus any applicable deductible.
- _____ (4) the procedure for resolving claimants' disputes under the plan; and
- _____ (5) such other information as will aid the claimant in exercising his or her rights under the plan.

II. Optional Participating Repair Shop Endorsement Plans

A. 211 CMR 56.04: Procedure for approval of endorsement and plans

- _____ An insurer or rating organization seeking approval of a participating repair shop endorsement plan shall file 5 copies of the proposed plan with the Commissioner.
- _____ Any form intended to be used in connection with a proposed plan and which is to be delivered to consumers shall be included in the filing.
- _____ The benefits of an approved plan shall be made available to all insureds purchasing or renewing policies containing a participating repair shop endorsement, except for those in areas for which a waiver has been obtained under 211 CMR 56.05(12), on or after the effective date of the plan, unless and until the approval of the plan is revoked or the plan is otherwise terminated in accordance with 211 CMR 55.04(4).

The Commissioner shall approve or disapprove the plan in writing and if the plan is disapproved or modified, shall state the reasons for the decision.

Approval of a plan may be conditioned upon its modification, including a change in its effective date. The Commissioner may, prior to approving or disapproving a plan, request the party filing it to supplement or modify it.

211 CMR 56.05: Participation repair shop endorsement plans: Required provisions

Required Plan Provisions

No plan shall be approved unless it contains each of the following provisions:

(1) Participating repair shop endorsement

_____ An insurer offering a participating repair shop endorsement shall use the form of endorsement set forth in Appendix A of this regulation

(2) Claims Procedure

_____ The insurer shall describe the appropriate claims mechanism for insureds that choose to have the endorsement added to their policy. Insureds may be instructed to proceed under a direct payment system, a completed work claim system, or to follow some other arrangement the insurer has developed for payment to its participating shops for repairs performed in accordance with the endorsement. In any case, the insured must retain the right of electing not to repair the vehicle, receiving a check for the amount of the damage and having the actual cash value of the vehicle reduced accordingly.

(3) Discount on Premium Charges

- _____ (a) Except for those insureds residing in areas for which the insurer has obtained a waiver, the insurer shall make available to every proposed insured or insured an appropriate discount on collision, limited collision and comprehensive coverages to reflect the estimated savings through participation in the participating repair shop plan. If the discount falls within the range of 5% to 15% of the otherwise applicable premium for those coverages, the discount shall be presumed to be

reasonable. If such discount deviates from the above-mentioned range of 5% to 15%, such deviation shall be allowed only if the Commissioner finds that the discount that the insurer desires to offer is adequate, not excessive, just, and reasonable. Every application for permission to so deviate shall be filed with the Commissioner, specifying the basis therefor and shall be accompanied by the data or other information upon which the applicant relies.

(b) An insured who chooses not to add the participating repair shop endorsement at the time of purchase of the policy may elect to add it at any time prospectively, at which time the insured shall receive a pro-rata discount on collision, limited collision and comprehensive coverages. An insured who chose to add the endorsement at the time of purchase of the policy may have it removed at any time prospectively, upon repayment of the pro-rata amount of the discount initially received.

(4) Designation of participating repair shop(s)

At least one geographically convenient participating repair shop must be designated at the time of purchase or renewal of the policy, to be updated at the time of any claim arising under the policy. At regular intervals no less than quarterly, the insurer shall notify its insured of any changes in the list. Upon request of the insured, the insurer shall make available a current list of participating repair shops. All participating repair shops shall be listed in the same manner in any directory distributed to insureds.

(5) Disclosure Statement and Acknowledgement

Each insured shall receive, at the time of purchase or renewal of a policy, a disclosure statement describing the rights and duties under the participating repair shop plan, and the premium discount available, as required by 211 CMR 56.07. If the insured agrees to participate in the plan, the insurer shall add the participating repair shop endorsement to the policy and obtain a written acknowledgement that the insured understands his or her rights and duties under the plan. Samples of the disclosure statement and acknowledgement form shall be included as a part of the filed plan.

(6) Limitations on Consumer's Choice of Shop

Once an insured has agreed to have a participating repair shop endorsement added to his or her policy, his or her selection among shops may be limited in accordance with the terms of the plan. A claimant who chooses to have the vehicle repaired at a non-participating repair shop will be subject to a limitation of benefits as provided in 211 CMR 56.05(10).

(7) Access

The participating repair shop plan must make available a sufficient number and range of repair shops to provide claimants with adequate access to and availability of participating repair shops for repairs offered on a participating basis. As an alternative, insurers may meet this requirement by providing transportation of the damaged vehicle to and from participating repair shops at the insurer's expense. Failure by an insurer to provide access to a participating repair shop within 5

business days shall be considered a violation of 211 CMR 56.05(7) and grounds for revocation of the plan or for other action by the Commissioner.

(8) Emergency Repairs

If an insured needs to obtain emergency repairs and cannot reasonably reach a participating repair shop, payment for such repairs shall be a matter for negotiation between the insurer and the non-participating repair shop. Under no circumstances shall the insured be charged more than the applicable deductible for such emergency repairs.

(9) Grievances

An adequate complaint and grievance system must exist which permits insureds to appeal coverage decisions, including a mechanism to appeal utilization review decisions which result in denial of payment or denial of access to repairs or which concern alleged poor quality repairs by a participating repair shop.

(10) Limitations on coverage of repairs performed at non-participating

Shops:

A plan may provide that the insurer may limit payment for non-emergency repairs performed at a non-participating repair shop to no less than 80% of what the insurer would otherwise have paid to one of its participating repair shops.

(11) Insurer's Choice of Shops

(a) An insurer's participating repair shop(s) must:

1. be registered under MGL c. 100A; and
2. have entered into an agreement satisfactory to the insurer to promptly repair vehicles brought or directed to be brought to its premises by the insurer.

(b) In determining which registered repair shop(s) will be named as a participating shop, the insurer's selection shall be based primarily on the following criteria: the quality and cost of repairs at a particular shop, the quality of the service given the customer, the responsiveness of the shop to the customers' needs, the ability of the shop to perform repairs without undue delay, the geographic convenience of the shop for the claimant, cooperation of the shop with pre- and post-repair inspections and the shop's compliance with applicable laws and regulations. The form of agreement between the participating shop(s) and the insurer may provide adequate assurances that the repair shop will continue to satisfy the insurer as to such criteria.

(c) No insurer may refuse to enter into a participating repair shop contract with a shop on the basis of religion, race, color, national origin, sex, marital status, or sexual orientation.

(12) Waiver

Any individual insurer wishing to implement a participating repair shop plan, but who is unable to reach agreements with a repair shop(s) in a particular geographic

location, may petition the Commissioner for a waiver of the otherwise mandatory offer of this plan to all its proposed insureds. The insurer seeking such a waiver shall set forth the specific facts regarding market share, geographic location, availability of repair shops, or other circumstances in support of its petition. No insurer may offer or implement a plan with respect to less than all of its insureds unless and until the Commissioner has granted a petition for waiver.

(13) Insurer's Guarantee

If a claimant's vehicle is repaired at one of the insurer's participating repair shops, then the insurer shall guarantee the duration and nature of the guarantee shall be the same as the manufacturer's warranty of any other warranty or guaranty covering the vehicle prior to the date of the accident or claim. No insurer may petition the Commissioner for a waiver of 211 CMR 56.05(13). This guarantee by the insurer shall be in addition to all other guarantees, which may be made by the manufacturer and the repair shop. The agreement between the insurer and the repair shop may provide for indemnification of the insurer by the repair shop for any costs associated with such guarantee under such terms and conditions, as the parties to the agreement shall specify.

211 CMR 56.07: Disclosures to consumers

Every insured under a plan shall be given full and adequate disclosure at the time of the purchase or renewal of the policy.

Required Disclosures

The disclosure statement shall, at a minimum, contain the following:

- _____ (a) An explanation of the insured's rights and obligations under the plan, including a brief description of the appropriate claims procedure as described above in 211 CMR 56.05(2).
- _____ (b) Identification of the repair shop(s) or individual(s) who shall perform the repair work in the event of a claim.
- _____ of (c) A statement that if the repair is made at a registered repair shop which is one of the insurer's participating repair shops, neither the repair shop nor the insurer shall require the claimant to pay more than any applicable deductible to have the repair work completed, and any dispute as to the amount of the appraised damage shall be resolved between the participating repair shop and the insurer.
- _____ (d) A statement that the insured may elect to participate in the plan and receive a list of participating repair shops, which may be updated at the time of any claim, or, should a claim arise under the policy, the insured may choose to pursue the claim without regard to the plan, but that the claim will be subject to the permissible benefit limitations imposed in accordance with 211 CMR 56.05(10);
- _____ (e) Disclosure of the dollar amount or percentage discount offered in conjunction with the participating repair shop endorsement;

- _____ (f) Disclosure, if applicable, of the fact that the insurer's participating repair shops are contractually bound to install used or non-OEM parts instead of new or OEM parts whenever available, appropriate and safe.
- _____ (g) A statement that if the claimant agrees to participate in the participating repair shop plan, receives the appropriate discount on the premium charges, and at the time of a claim, in fact has repairs performed at a participating repair shop, the insurer will guarantee the materials and workmanship of the repair, and the cost of the repair to the claimant will not exceed the amount of any applicable deductible;
- _____ (h) The procedure for resolving claimants' disputes concerning access and quality of repairs under the plan, and;
- _____ (i) Such other information as will aid the claimant in exercising his or her rights under the plan, including provisions regarding emergency repairs and criteria used in determining which shops shall be listed amount the insurer's participating shops.

_____ **211 CMR 56.05: APPENDIX A: Participating Repair Shop Endorsement**

If we offer a "participating repair shop endorsement," you may, at your option, agree to have this endorsement added to and incorporated as part of your policy, under the endorsement, we must, at the time you purchase your policy, reduce your premium for collision, limited collision and comprehensive coverages by _____% [between 5% and 10%, unless deviation filed with Commissioner]. In exchange for this discount on your premium, you must agree that, in the event of a claim under any of these coverages, you will have your auto repaired at a participating repair shop designated by us. The participating repair shop must be geographically convenient for you and must perform repairs of comparable quality to those made by non-participating repair shops.

In order to receive the discount, you must have all repairs, except for emergency repairs, performed at the participating repair shop we designate. If you have repairs performed at a non-participating shop, we do not have to pay more than _____% [no less than 80%] of what we would have paid to one of our participating shops.

III. Motor Vehicle Policies

A. Chapter 175: Section 113A: Compulsory motor vehicle liability insurance policies; contents; Commissioner's approval; options to purchase policies or bonds; notice of reduced or eliminated coverages

No motor vehicle liability policy shall be issued or delivered:

- a. until a copy of the form of the policy has been on file with the Commissioner for at least 30 days or, before the expiration of this period, the Commissioner shall have approved the form of the policy in writing, or

- b. if the Commissioner notifies the company in writing, within the 30 day period, that in her opinion the form of said policy does not comply with the laws of the commonwealth, specifying his reasons therefor; or
- c. if it contains any exceptions or exclusions as to specified accidents or injuries or causes thereof; or
- d. unless it contains in substance the following provisions:

Required Policy Language (Provisions 1-6 below)

Payment of Losses / Satisfaction of Judgments

_____ (1) That the policy be subject to the provisions of sections 112 and 113, as respects both the owner of a motor vehicle or trailer insured thereunder and any person responsible for its operation with the express or implied consent of such owner.

Cancellation of Policy

_____ (2) That, except as otherwise provided in provision (2)A herein and in 113D, no cancellation of the policy, whether by the company or by the insured, shall be valid unless written notice thereof is given by the party proposing cancellation to the other party giving the specific reason or reasons for such cancellation at least 20 days in each case prior to the intended effective date thereof, which date shall be expressed in said notice, and that such notice of cancellation sent by the company to the insured and return premium, if any, shall be delivered in hand to the named insured, or be left at his last address, at his last business, residence or other address known to the company, or be forwarded to said address by first class mail, postage prepaid, and a notice left or forwarded, as aforesaid, shall be deemed a sufficient notice. No written notice of cancellation shall be deemed effective when mailed by the company unless the company obtains a certificate of mailing receipt from the United States Postal Service showing the name and address of the insured stated in the policy. Furthermore, an affidavit of any officer, agent or employee of the company, duly authorized for the purpose, that he has so sent such notice addressed as aforesaid shall be prima facie evidence of the sending thereof as aforesaid; together with a provision that, in the event of a cancellation by the insured, he shall, if he has paid the premium on the policy to the company or to its agent who issued the policy, or to the duly licensed insurance broker, if any, by whom the policy was negotiated be entitled to receive a return premium after deducting the monthly short rates as determined by the Commissioner for the time the policy shall have been in force, or in the event of cancellation by the company, the insured shall, if he has paid the premium as aforesaid, be entitled to receive a return premium calculated on a pro rata basis; provided, however, that if the insured after the sending of a notice of cancellation by the company, or after giving such notice to the company, files a new certificate under MGL c. 90, s. 134H, prior to the intended effective date of such cancellation, the filing of said certificate shall operate to terminate the policy on

the date of said filing, and the return premium, if any, payable to the insured shall be computed as of the date of said filing, instead of the intended effective date of cancellation expressed in the notice thereof; provided, further, that if the final effective date of a cancellation by the company is fixed by an order of the board of appeal on motor vehicle liability policies and bonds or of the superior court, or a justice thereof, as provided in chapter 113D, the return premium, if any, payable to the insured shall be computed as of the final effective date; and provided, further, that said cancellation shall not become effective unless the company or an insurance premium finance agency licensed under the provisions of chapter 255C has, immediately upon the intended effective date of the cancellation of the policy, whether proposed by the company or by the insured, forwarded to the registrar of motor vehicles a notice, in such form as he may prescribe, containing such information to apprise the registrar of the particular motor vehicle registration on which the insurance is intended to be cancelled. If the reason for cancellation is for nonpayment of premium, the notice of cancellation provided for in this provision shall state the amount of the deficiency of the premium owed the company for all the insurance provided and shall state in substance that the cancellation will not be effective if the insured pays the full amount of such deficiency on or prior to the effective date of the cancellation. The fact that an insurance agent or broker has paid the full premium to the company but has himself not been paid by the insured shall not operate to prevent cancellation for nonpayment of premium.

Policy Termination Upon Sale transfer or Surrender of Registration / Return of Premium

____ (2) A: That the policy shall terminate upon a sale or transfer by the owner thereof of the motor vehicle or trailer covered thereby, or upon his surrender to the registrar of motor vehicles of the registration plates issued to him by said registrar under chapter 90 with a written statement, in such form as the said registrar may require, that they are surrendered to cancel the registration of such motor vehicle or trailer and the policy, or upon the filing of a certificate as defined in MGL c. 90, s. 34A of another company covering the same motor vehicle or trailer, and that upon a termination of the policy as aforesaid, the insured shall, if he has paid the premium on the policy as provided in provision (2), be entitled to receive a return premium computed as in the case of a cancellation of the policy by the insured under said provision (2).

The company shall not issue a return premium upon cancellation of the policy until the insured has presented to the company a receipt or other document showing that the number plates assigned to the insured motor vehicle have been returned to the registry of motor vehicles; provided however, that a company shall return a premium upon cancellation of the policy to an agent or broker or premium finance company without said receipt.

Return of Premium If Insurer Unauthorized

_____ (3) That if the company shall cease for any reason to be authorized to transact business in the commonwealth the insured shall, if he has paid the premium as aforesaid, be entitled to a return premium calculated on a pro rata basis as of the effective date of the new certificate, if any, filed by him under said section 34H, or, if no certificate is filed as aforesaid, as of the effective date of the revocation under said section 34H of the registration of the motor vehicle or trailer covered by the policy.

Requirement of Not Conflicting with Existing Law and What Constitutes Entire Contract

_____ (4) That the policy, the written application therefor, if any, and any rider or endorsement, which shall not conflict with the provisions of this chapter or said section 34H, shall constitute the entire contract between the parties.

Prior Statements / Acts Not Sufficient to Defeat / Avoid Policy

_____ (5) That no statement made by the insured or on his behalf, either in securing the policy or in securing registration of the motor vehicle or trailer covered thereby, no violation of the terms of the policy and no act or default of the insured, either prior or subsequent to the issue of the policy, shall operate to defeat or avoid the policy so as to bar recovery within the limit provided in the policy by a judgment creditor proceeding under the provisions of said section 113 and clause (9) of MGL c. 214, s. 3.

Effect of Insolvency or Death of Insured

_____ (6) That if, because of the insolvency or bankruptcy of the insured under the policy, he loses his right to possession of the motor vehicle or trailer covered thereby within the policy period, the policy shall cover the legal representative of his estate during the unexpired portion of such period to the same extent as though such representative were named as insured in the policy; and that in the case of the death of the insured, provided the motor vehicle is properly registered, the policy, unless cancelled, shall, pending the appointment of a legal representative of the estate of the deceased insured, but in no event beyond the date of expiration of the policy, cover any person who is related by blood or marriage to the deceased and has proper temporary custody of such motor vehicle or trailer, to the same extent as though he were named as the insured in the policy; and that, if such legal representative is appointed, the policy shall, subject to the above conditions and restrictions, cover such legal representative to the same extent as though he were named as the insured in the policy. Nothing herein contained shall operate to nullify any cancellation proceedings which have been commenced prior to the death of the insured.

Temporary Continuation of Coverage upon Transfer

Notwithstanding the foregoing provisions, a policy covering a registered motor vehicle or trailer which is being transferred as provided in MGL c. 90, s.2, shall continue in force

and cover a newly acquired new motor vehicle or trailer or a newly acquired used motor vehicle or trailer for a period beginning from the date of transfer of the registered motor vehicle or trailer until 5 o'clock post meridian of the 7th calendar day following the date of transfer within the period for which the transferred motor vehicle or trailer was registered; provided, however, that the number plates issued upon registration of the transferred motor vehicle or trailer shall be attached to the newly acquired vehicle.

Determination of Policy Compliance with Provisions

The motor vehicle liability policy shall be deemed to contain the provision in substance when in the opinion of the Commissioner the provision is stated in terms more favorable to the insured or to a judgment creditor than set forth in the section.

The policy may also contain such other provisions not inconsistent with this chapter or said section 34A as may be approved by the Commissioner.

Multiple Vehicles

Motor vehicle liability policies may be issued, subject to the provisions of MGL c. 90, s. 34C, covering more than one motor vehicle or trailer.

Binders / Applicability of section

Any company authorized to issue motor vehicle liability policies, as defined in said section 34A, may, pending the issue of such a policy, execute an agreement, to be known as a binder, which shall during such time provide indemnity or protection in like manner and to the same extent as such a policy.

The provisions of this section shall apply to such binders, except that provisions numbered (1) to (6), inclusive, need not be expressly stated therein but may be incorporated by reference in a manner approved by the Commissioner, and the provisions of sections 113B and 113D relative to such motor vehicle liability policies shall likewise apply to such binders.

Motor Vehicle Liability Bonds

The provisions of section 113A, except provisions therein numbered (1), (4) and (5), shall apply to motor vehicle liability bonds as defined in Chapter 90, section 34A.

Every motor vehicle bond shall contain a provision that:

_____. **no statement made by the principal on such bond or on his behalf either in securing the bond or in securing registration of the motor vehicle or trailer covered thereby, and no violation of the terms of the bond and no act or default of the principal, either prior or subsequent to the execution of the bond, shall operate to defeat or avoid such bond as against a judgment creditor of such principal or of a person responsible for the operation of the principal's motor vehicle or trailer with his express or implied consent.**

The insured shall have the option to purchase and the insurer shall not refuse to issue an annual motor vehicle policy or bond providing coverages in accordance with this chapter and MGL c. 90 containing any expiration date as the insured may elect. Insurers may offer such policies or bonds for a period of more than 1 year but not more than 2 years or may issue an extension of any existing policy or bond.

Motorcycles, Trailers, RV

_____ For policies insuring motorcycles, trailers and other recreational type vehicles, insurers shall, at the option of the insured, issue a policy for a period of less than 1 year to be coterminous with the registration, using the appropriate short rate table to determine the premium.

Elimination or Reduction of Coverages

_____ In the event a company or filing or rating organization eliminates or reduces certain coverages, conditions, or definitions in such policies issued under this section, the company must attach to each of such policy a printed notice setting forth what coverages, conditions or definitions have been eliminated or reduced. If explanations of such reductions or eliminated coverages are not contained in such a printed notice attached to such policy, then such coverages, conditions or definitions shall remain in full force and effect without such reductions and eliminations.

2. Chapter 175, Section 22C: Cancellation of motor vehicle policies

Grounds for Cancellation

No motor vehicle policy shall be issued unless the policy contains a provision that it cannot be cancelled by the company, except for:

- _____ a. nonpayment of premiums;
- _____ b. fraud or a material misrepresentation in the application for insurance or renewal thereof ;
- _____ c. the operator's license or motor vehicle registration of the named insured or of any other person who resides in the same household as the named insured and who usually operates a motor vehicle insured under the policy has been under suspension or revocation during the policy period;
- _____ d. coverages which insurers refuse to offer under the provisions of paragraph (A) of section 113H; or
- _____ e. in the event an insured fails to comply with a request for any inspection, provided for under the provisions of MGL c. 90, s. 34O, of his vehicle by his insurer.

Non-Applicability

Section 22C is not applicable with respect to a notice of cancellation issued:

- a. before or after the effective renewal date by the company to take effect within the first 90 days of the renewal policy period for those policies not renewed in accordance with section 22E; or
- b. for failure of the applicant to complete and furnish the insurance company a renewal application on a form prescribed by the Commissioner at least 30 days before the expiration of the previous policy period,

Chapter 175, Section 113D: Cancellation of policies; proceedings

_____ Any person aggrieved by the issue by any company, or an agent thereof on its behalf, of a written notice purporting to cancel a motor vehicle liability policy or bond, both as defined in section thirty-four A of chapter ninety, except a notice of cancellation for non-payment of premium on such policy or bond insuring a motor vehicle registered as a taxicab or for public livery use, or by the refusal of any company, or an agent thereof on its behalf, to issue such a policy or to execute such a bond as surety, may, at any time prior to the intended effective date of cancellation expressed in such notice, or within ten days after such a refusal, file a written complaint with the commissioner, unless he has secured a certificate, as defined in said section thirty-four A, from another company. The complaint shall be in such form and contain such information, including the address of the complainant, as the commissioner may prescribe. The complaint, if it relates to the issue of a notice of cancellation, shall specify the registration number of the motor vehicle or trailer covered by the policy or bond and the said intended effective date of cancellation or, if it relates to a refusal as aforesaid, the date thereof. The board of appeal on motor vehicle liability policies and bonds, hereinafter called the board, may allow such complaint to be amended.

The commissioner shall cause the other members of the board to be notified of the complaint and written notice to be given to the parties of the time and place of the hearing thereon, which time shall be not less than five days from the filing of the complaint, unless the parties agree in writing that the hearing may be held sooner.

3. Chapter 175: Section 192: Riders and endorsements; Commissioner's approval

Filing and Approval Of Riders and Endorsements / Applicability of Filing Requirements

All provisions of law relative to the filing of policy forms with, and the approval of such forms by, the Commissioner shall also apply to all forms of riders, endorsements and applications designed to be attached to such policy forms and when so attached to constitute a part of the contract.

The filing and approval provisions shall also apply to all forms of riders or endorsements, designed to be attached to motor vehicle liability policies as defined in MGL c. 90, s. 34A, providing for additional coverage permitted by section 111C.

Exceptions

Riders or endorsements used under the 9th clause of section 99 in connection with policies of fire insurance issued under section 102A, may be used, so far as consistent with law, without such approval.

B. Required & Optional Coverages

1. Bodily Injury and PIP

(a) Definitions and Scope of Coverage MGL c.90 s.34A

Compulsory Motor Vehicle Liability Insurance

"**Personal injury protection,**" provisions of a motor vehicle liability policy or motor vehicle liability bond which provide for payment to the named insured in any such motor vehicle liability policy, the obligor of any motor vehicle liability bond, members of the insured's or obligor's household, any authorized operator or passenger of the insured's or obligor's motor vehicle including a guest occupant, and any pedestrian struck by the insured's or obligor's motor vehicle, unless any of the aforesaid is a person entitled to payments or benefits under the provisions of MGL c. 152, of all reasonable expenses incurred within 2 years from the date of accident for necessary medical, surgical, x-ray, and dental services, including prosthetic devices and necessary ambulance, hospital, professional nursing and funeral services, and in the case of persons employed or self-employed at the time of an accident of any amounts actually lost by reason of inability to work and earn wages or salary or their equivalent, but not other income, that would otherwise have been earned in the normal course of an injured person's employment, and for payments in fact made to others, not members of the injured person's household and reasonably incurred in obtaining from those others ordinary and necessary services in lieu of those that, had he not been injured, the injured person would have performed not for income but for the benefit of himself and/or members of his household, and in the case of persons not employed or self-employed at the time of an accident of any loss by reason of diminution of earning power and for payments in fact made to others, not members of the injured person's household and reasonably incurred in obtaining from those others ordinary and necessary services in lieu of those that, had he not been injured, the injured person would have performed not for income but for the benefit of himself and/or members of his household, as a result of bodily injury, sickness or disease, including death at any time resulting therefrom, caused by accident and not suffered intentionally while in or upon, or while entering into or alighting from, or being struck as a pedestrian by, the insured's or obligor's motor vehicle, without regard to negligence or gross negligence or fault of any kind, to the amount or limit of at least eight thousand dollars on account of injury to or death of any one person, except that payments for loss of wages or salary or their equivalent or, in the case of persons not employed, loss by reason of diminution of earning power, shall be limited to amounts actually lost by reason of the accident and further limited (1) in the case of persons entitled to wages or salary or their equivalent under any program for continuation of said wages or salary or their equivalent to an amount that, together with any payments due under such a program, will provide 75% of any such person's average weekly wage or salary or its equivalent for the year

immediately preceding the accident, provided that the insurer shall reimburse those wage continuation programs or their equivalent which provide for accumulated benefits which can be converted into either cash or additional retirement credit for the amount said program or its equivalent actually pays to the insured, not to exceed 75% of the insured's average weekly wages or salary or its equivalent for the year immediately preceding the accident, or (2) in the case of persons not entitled to wages or salary or their equivalent under any program for continuation of said wages or salary or their equivalent to an amount that will provide 75% of any such person's average weekly wage or salary or its equivalent for the year immediately preceding the accident. In any case where amounts paid for loss of wage, salary or their equivalent are reduced as a result of any program for continuation of the same and such reduction produces a subsequent loss, as when the limit of any such program for continuation of wage or salary or their equivalent is exhausted with the result that an injured person cannot recover for a later injury or illness as he would have been entitled to but for such a reduction, such subsequent loss to an amount equaling the reduction in personal injury protection made in accordance with this section shall, if incurred within 1 year after the receipt of the last benefit provided under this section, be treated as a loss of wages, salary or their equivalent incurred as a result of the injury to which personal injury protection applied. In all cases where an insured is compensated under such a wage continuation program and also recovers these benefits from another source, he shall be entitled to reimburse the wage continuation program with no loss in standing under such a program.

Personal injury protection shall also provide for payment, to the named insured or obligor and members of their households, all amounts defined in this section in any case where such persons incur such expense or loss as a result of such injury while in, upon, entering into or alighting from, or by being struck as a pedestrian by, a motor vehicle not insured by a policy or bond providing personal injury protection unless such person recovers such expenses or loss in an action of tort. Insurers may exclude a person from personal injury protection benefits if such person's conduct contributed to his injury in any of the following ways while operating a motor vehicle in the commonwealth:

- (1) while under the influence of alcohol or a narcotic drug as defined in MGL c. 94, s. 197;
- (2) while committing a felony or seeking to avoid lawful apprehension or arrest by a police officer; or
- (3) with the specific intent of causing injury or damage to himself or others. The term "**pedestrian**" shall include persons operating bicycles, tricycles and similar vehicles and persons upon horseback or in vehicles drawn by horses or other draft animals.

Notwithstanding the foregoing, personal injury protection provisions shall not provide for payment of more than \$2000 of expenses incurred within 2 years from the date of accident for medical, surgical, X-ray and dental services, including prosthetic devices and necessary ambulance, hospital, professional nursing and funeral services if, and to the extent that, such expenses have been or will be compensated, paid or indemnified pursuant to any policy of health, sickness or disability insurance or any contract or

agreement of any group, organization, partnership or corporation to provide, pay for or reimburse the cost of medical, hospital, dental or other health care services. No policy of health, sickness or disability insurance and no contract or agreement of any group, organization, partnership or corporation to provide, pay for or reimburse the cost of medical, hospital, dental or other health care services, shall deny coverage for said expenses because of the existence of personal injury protection benefits. Notwithstanding the provisions of MGL c. 111, s. 70A, no entity which is the source of the provision, payment or reimbursement of said expenses shall recover any amount against the claimant nor shall it be subrogated to the rights of the claimant for more than \$2000 of personal injury protection benefits, nor shall it have a lien against the claimant's personal injury protection benefits on account of its provision payment of reimbursement of said expenses. Within 2 years from the date of the accident, if the claimant has a policy of insurance which provides health benefits or income disability coverage, and the claimant is unwilling or unable to pay the costs of renewing or continuing that policy of insurance in force, the insurer providing personal injury protection coverage to the claimant may tender to the claimant the cost of maintaining the said policy in force for the 2 year period. Upon receipt of such tender, the claimant shall continue such policy of insurance; or an equivalent policy in force for the 2 year period. Nothing in this subsection shall be construed to compel a claimant to renew or maintain any policy of insurance in force prior to receipt of the said tender, or to interfere in any way with the claimant's choice of physician or course of medical treatment.

Chapter 90: Section 34M: Personal injury protection

Compulsory Nature / Coverage in lieu of Damages

_____ Every motor vehicle liability policy and every motor vehicle liability bond, as defined in section 34A, issued or executed in this commonwealth shall provide personal injury protection benefits as defined therein except to the extent such defined benefits to an insured or obligor or members of an insured's or obligor's household may be modified, reduced or eliminated by the purchase of the deductible authorized in this section. The benefits due and payable under any motor vehicle liability policy or bond as a result of the provisions therein providing personal injury protection benefits, and any benefits due any person entitled to make claim under the assigned claims plan established in accordance with section 34N, are granted in lieu of damages otherwise recoverable by the injured person or persons in tort as a result of an accident occurring within this commonwealth.

Optional Deductible

_____ Each insurer providing personal injury protection shall issue to any person purchasing a motor vehicle liability policy or bond, at his option, a policy endorsement, approved as to content by the Commissioner of Insurance and subject to such other regulations regarding said endorsement as the Commissioner may from time to time make after appropriate hearing, which shall provide that there shall be deducted from amounts that would otherwise be or become due to

the policyholder alone or to the policyholder and members of his household, as the policyholder elects, an amount of either \$100, \$250, \$500, \$1000, \$2000, \$4000, or \$8000, again as the policyholder elects, said amount to be deducted from the amounts otherwise due each person subject to the deduction. Any person electing such an endorsement or subject to such an endorsement as a result of the policyholder's election shall have no right to claim or to recover any amount so deducted from any owner, registrant, operator or occupant of a motor vehicle or any person or organization legally responsible for any such owner's, registrant's, operator's or occupant's acts or omissions who is made exempt from tort liability by this section.

Amounts deducted from payment in accordance with the provisions of the preceding paragraph shall not have any effect upon the determination of whether or not the reasonable and necessary expenses incurred as a result of any injury exceed or do not exceed five hundred dollars, which determination may affect an injured person's rights under MGL c. 231, s. 6D.

2. PDL, Collision, Limited Collision

Chapter 90: Section 34O: Property damage liability insurance or bond

Compulsory Nature

Every person having in force a motor vehicle liability policy or motor vehicle liability bond, as defined in section 34A, shall also maintain in force either property damage liability insurance or a bond providing equivalent coverage. Every insurer issuing or executing a motor vehicle liability policy or bond shall also provide property damage liability coverage for the policyholder or obligor. Property damage liability insurance is insurance containing provisions as prescribed in this section, among such other provisions, including conditions, exclusions, and limitations, as the Commissioner may approve.

Contents of Policy

Every policy of property damage liability insurance shall provide that the insurer will pay on behalf of the insured all sums the insured shall become legally obligated to pay as damages because of injury to or destruction of property, including loss of use thereof, caused by accident and arising out of the ownership, maintenance or use, including loading and unloading of the insured motor vehicle, subject to a limit of not less than five thousand dollars because of injury to or destruction of property of others in any one accident. Under terms and conditions approved by the Commissioner the insurer shall have the right and duty to defend any suit against the insured seeking damages on account of such injury to or destruction of property even if any of the allegations of the suit are groundless, false or fraudulent.

Directions to Pay / Form

An insurer shall not make payments to an individual seeking to collect payment under the provisions of this section, unless the individual has presented a signed direction to pay on a form described by the Commissioner for the loading, unloading and storage of the damaged vehicle to the legally entitled certified carrier or garageman. All payments to any such certified carrier or garageman shall be made in accordance with the requirements of the completed work claim form as prescribed in this section.

Optional Collision Coverage

____ Except for coverages which insurers may refuse to offer under the provisions of paragraph (A) of MGL c. 175, s. 113H, every insurer issuing or executing a motor liability policy or bond shall also provide at the option of the policyholder or obligor the following coverages:

____ (1) *Collision Coverage*. The insurer shall pay either to the insured or to a repair shop if the insured so indicates in writing to his insurance company for direct and accidental loss of or damage to the insured motor vehicle, subject to a deductible of \$500, up to a limit equal to the actual cash value of the vehicle less such deductible, caused by collision of the insured motor vehicle with another object or with a vehicle to which it is attached, or by upset of the insured motor vehicle. Benefits under this coverage are payable without regard to negligence, comparative negligence, gross negligence or fault of any kind; except that said policy or bond shall provide that benefits under this coverage shall not be payable if said loss of or damage to the insured vehicle occurs when the operator of such vehicle is a household member, other than the insured, who is not listed as an operator on such policy or bond and if listed, would be classified as an inexperienced driver or would subject the policy to increased premiums under the provisions of the safe driver insurance plan established by the Commissioner pursuant to MGL c. 175, s. 113B. The insurer may require as a condition of continuing such coverage in effect that a vehicle for which total damage has been paid pass a motor vehicle safety inspection test.

No Deductible Coverage

____ Insurers shall also make available additional coverage whereby an insured who has selected collision coverage shall be entitled to full payment, without regard to comparative negligence or any deductible if any of the cases described in clauses (a) to (d), inclusive, of limited collision coverage occur; provided that the negligence attributable to such an insured is 50% or less.

Optional Deductible

____ (2) *Limited Collision Coverage*. The insurer shall pay either to the insured or to a repair shop if the insured so indicates in writing to his insurance company for direct and accidental loss of or damage to the insured motor vehicle in cases described in clauses 2 (a) to (d) below, inclusive, subject to a deductible of \$500, up to a limit equal to the actual cash value of the vehicle less such deductible without regard to comparative negligence attributable to the operator of the

vehicle which is not in excess of 50%; except that the policy or bond shall provide that benefits under this coverage shall not be payable if said loss of or damage to the insured motor vehicle occurs when the operator of such vehicle is a household member, other than the insured, who is not listed as an operator on such policy or bond and, if listed, would be classified as an inexperienced driver or would subject the policy to increased premiums under the provisions of the safe driver insurance plan established by the Commissioner pursuant to MGL c. 175, s. 113B.

2 (a) Cases in which the insured is entitled to recover in tort for such loss or damage against another identified person; the insured, in such a case, shall take all steps necessary to preserve the insurer's right of subrogation;

2 (b) Cases in which the loss or damage is incurred by the insured motor vehicle while the vehicle is lawfully parked and the loss or damage is the result of impact with another vehicle owned by another identified person;

2 (c) Cases in which the insured motor vehicle is struck in the rear by another vehicle owned by another identified person moving in the same direction;

2 (d) Cases in which the operator of the vehicle causing loss or damage to the insured motor vehicle as a result of his operation at the time the loss or damage was incurred, is convicted of either operating under the influence of alcohol or a narcotic drug as defined in MGL c. 94, s. 197, or of driving the wrong way on a one-way street or of operating at an excessive rate of speed as defined in MGL c. 90, s. 117, or of any similar violation of the law of any other state in which the loss or damage is sustained. No coverage is created under this clause, however, if the operator of the insured vehicle is himself convicted of any such violations as a result of his operation at the time said loss or damage was incurred.

The insured shall be entitled to payment in any of the cases described in clauses 2(b), 2(c) and 2(d) whether or not the facts disclose that he is or would have been entitled to recover in tort for such loss or damage against another.

The insurer may require as a condition of continuing such coverage in effect that a vehicle for which total damage has been paid shall pass a motor vehicle safety inspection test.

Reduced Deductible Coverages

____ Insurers shall also make available to collision coverage policyholders additional coverage whereby the deductible of \$500 under said collision coverage is reduced to an amount not less than \$300, except that an insurer may refuse to issue such additional coverage on the basis of accident frequency, claims paid, or conviction of moving violations of motor vehicle laws; provided, that no insurer may refuse to issue such optional additional coverage because of age, sex, race, occupation or principal place of garaging of the vehicle. The charge for said additional coverage shall not exceed the actuarial cost of reducing the deductible from \$500 to \$300.

No Deductible Coverage

_____ Insurers shall also make available additional coverage whereby an insured who has selected limited collision coverage shall be entitled to full payment without regard to comparative negligence or any deductible if any of the cases described in clauses (a) to (d), inclusive, of said limited collision coverage occur, provided the negligence attributable to such an insured is fifty per cent or less.

_____ Insurers shall also make available to all policyholders at their option deductible amounts of \$1000. The Commissioner may approve or require other optional deductible amounts in excess of \$500.

Coverage for Loss of Use of Vehicle

_____ Subject to such stated limits and conditions, exclusions, and limitations as may be approved by the Commissioner, the insurer shall offer additional coverage, optional to the insured, for resulting loss of use of the insured vehicle.

Direct Payment Plans

_____ An insurer may file a plan for approval by the Commissioner providing for direct payment by the insurer to the insured for the loss of or damage to the insured motor vehicle under collision coverage or limited collision coverage policies prior to receipt by the insurer of a claim form from the insured stating that the repair work described in an appraisal made pursuant to regulations promulgated by the auto damage appraisers licensing board has been completed. Such plan shall not be approved unless it: (a) provides for a procedure acceptable to the Commissioner to resolve any dispute between the insured and the insurer as to the adequacy of the payment; (b) provides for adequate disclosure to the insured of his or her rights hereunder; and (c) contains such other terms and conditions as the Commissioner shall prescribe.

The Commissioner may revoke approval for such a plan if he determines that the insurer is not complying with its terms or that the plan does not carry out the purposes of this section. If an insured under collision coverage or limited collision coverage, so called, elects not to repair an insured vehicle for which a claim payment has been made under one of said coverages or if the insurer does not receive a claim form from the insured certifying that the repair work has been done in accordance with an appraisal made pursuant to regulations promulgated by the auto damage appraisers licensing board, then the insurer and any successor insurer shall decrease the actual cash value of the insured vehicle by the amount of the claim payment plus any applicable deductible until such time as the insurer or any successor insurer receives a claim form with the certification described above, provided, however, that for at least 75% of those claims where the appraisal indicates that the cost of repairs will exceed \$4,000 and at least 25% of those claims where the appraisal indicates that the cost of repairs will be \$4,000 or less, a licensed auto damage appraiser shall reinspect the vehicle following completion of repairs and shall certify on the claim form that the work has been completed in accordance with an appraisal made pursuant to said regulations. The Commissioner shall

hold a hearing prior to approval of any such plan or plans. The Commissioner shall have the authority to promulgate such rules and regulations, as she deems necessary for the implementation of this paragraph.

The Commissioner may require any plan filed pursuant to the preceding paragraph to provide:

- _____ (a) that the insured will be given a list of at least five registered repair shops, geographically convenient for the insured, from which the insured may at his or her option select a shop, which will without undue delay complete the repair work for the amount of the payment to the insured, plus any applicable deductible, that the insurer will guarantee the quality of the materials and workmanship used in making repairs if the repairs are performed at one of the repair shops so listed;
- _____ the (b) that in no event shall the selection of vehicles for reinspection be based on age or sex of the policyholder or of the customary operators of the vehicle, or on the principal place of garaging the vehicle; and
- _____ (c) that no insurer or appraiser shall require that repairs to any motor vehicle be made at any specific repair shop, or list of repair shops; and
- _____ (d) that in determining which repair shops will be listed as described above, the insurer shall consider only the quality and cost of repairs at a particular shop, the quality of the service given the customer, the responsiveness of the shop to customers' needs, the ability of the shop to perform repairs without undue delay, the geographic convenience of the shop for the insured, cooperation of the shop with pre- and post-repair inspections, and the shop's compliance with applicable laws and regulations. A repair shop shall be included on the list prepared by the insurer if the shop agrees in writing to comply in full with the plan filed by the insurer and approved by the Commissioner. An insurer may strike a shop from the list provided it files a statement with the Commissioner specifying the nature of the shop's failure to comply with the plan. Such plan shall include a fair and adequate procedure for relief for repair shops improperly stricken from such list; and
- _____ (e) no employee or agent of an insurer with responsibility for creating, managing or maintaining a list of repair shops as described above shall receive or ask for any payment, gift or other thing of value from any repair shop included, or seeking to be included, in the said list of repair shops, and no repair shop, or employee or owner thereof, shall give, pay or offer to give or pay any money or thing of value to any employee or agent of an insurer with responsibility for creating, managing or maintaining a list of repair shops. No repair shop, or employee, owner or agent thereof, shall give or pay, or offer to give or pay, any thing of value to any person in exchange for being included, or as an inducement to be included, on such a list of repair shops. For purposes of this paragraph, the words "employee", "owner" and "agent" shall also include any spouse or child of an employee, owner or agent. Violation of the provision of this paragraph may be

grounds for revocation or suspension of any certificate of registration or license held under MGL c. 100A or MGL c. 175.

In all instances where the insurer so reinspects the vehicle prior to making payment, the check for payment shall not include a third party "loss payee".

Chapter 175: Section 191A: Property damage to insured's motor vehicle

_____ No company shall issue a policy or contract which insures against physical damage to a motor vehicle of the insured unless said policy contains in substance the following provisions:

In case of any loss or damage insured against under the policy, the named insured shall give notice thereof as soon as practicable to the company or any of its authorized agents and also, in the event of larceny, robbery or pilferage, to the police, and within 60 days after filing proof of loss the company shall pay the amount of loss as provided in the policy.

If the named insured and the company fail to agree as to the amount of loss, each shall, on the written demand of either, made within 60 days after receipt of proof of loss by the company, select a competent and disinterested appraiser, and the appraisal shall be made at a reasonable time and place. The appraisers shall first select a competent and disinterested umpire, and failing for 15 days to agree upon such umpire, then, on the request of the named insured or the company, such umpire shall be selected by a judge of a court of record in the county and state in which such appraisal is pending. The appraisers shall then appraise the loss, stating separately the actual cash value at the time of loss and the amount of loss, and failing to agree shall submit their differences to the umpire. An award in writing of any 2 shall determine the amount of loss. The named insured and the company shall each pay his or its chosen appraiser and shall bear equally the other expenses of the appraisal and umpire.

The company shall not be held to have waived any of its rights by any act relating to appraisal.

Chapter 175: Section 113S: Inspection of vehicles prior to coverage

Definition

For purposes of this section, "**existing customer**" shall mean an applicant for a motor vehicle liability policy who has been insured for three years or longer without interruption under a motor vehicle liability policy or policies issued by the insurer to which the applicant's application is submitted.

Requirements Before Coverage Can Be Provided

_____ A motor vehicle liability policy shall not provide fire and theft coverage or comprehensive coverage, so-called, or collision or limited collision coverage for a private passenger motor vehicle prior to an inspection of that motor vehicle by the

insurer. The inspection must be conducted within 7 days of the purchasing of the vehicle.

This requirement is mandatory unless:

- (1) the motor vehicle is new;
- (2) the applicant for such coverage is an existing customer of the insurer;
- (3) the motor vehicle is already insured for such coverages with the insurer by the applicant; or
- (4) inspection is waived under the circumstances indicated below.

Circumstances which would warrant a waiver of inspection may include, but are not limited to:

- (i) When requiring an inspection would cause a serious hardship to the insurer, the insured or an applicant for insurance;
- (ii) When the insurer has no inspection facility or authorized representative either in the city or town in which the motor vehicle is principally garaged or within 5 miles of the said city or town.

Salvage Vehicles

_____ A motor vehicle liability policy shall not provide fire and theft coverage or comprehensive coverage, so-called, or collision or limited collision coverage for any motor vehicle for which a salvage certificate has been issued by the registrar of motor vehicles, unless a new certificate of title has been issued pursuant to MGL 90D, s. 20D.

_____ Notwithstanding the foregoing, any insurer, authorized to issue motor vehicle liability policies may, but shall not be compelled to, issue a special policy or endorsement providing fire and theft coverage and/or comprehensive coverage, so-called, or collision or limited collision coverage for any motor vehicle having a salvage title, on such terms and conditions and subject to such inspections as the insurer shall require.

3. Chapter 175: Section 113L: Uninsured Motorist Liability

Scope of Coverage

_____ No policy shall be issued or delivered in the commonwealth with respect to a motor vehicle, trailer or semitrailer registered in this state unless such policy provides coverage in amounts or limits prescribed for bodily injury or death for a liability policy under this chapter, under provisions approved by the insurance Commissioner, for the protection of persons insured thereunder who are legally entitled to recover damages from owners or operators of uninsured motor

vehicles, trailers or semitrailers and hit-and-run motor vehicles because of bodily injury, sickness or disease, including death resulting therefrom.

_____ Subject to the terms and conditions of such coverage, such coverage shall include _____ an insured motor vehicle where the liability insurer thereof is unable to make payment with respect to the legal liability of its insured within the limits specified therein because of insolvency.

_____ Uninsured motorists coverage shall provide that regardless of the number of vehicles involved, whether insured or not, persons covered, claims made, premiums paid or the number of premiums shown on the policy, in no event shall the limit of liability for 2 or more vehicles or 2 or more policies be added together combined or stacked to determine the limits of insurance coverage available to injured persons.

Nothing herein contained shall be construed to prevent any insurer from extending coverage under the terms and conditions more favorable to its insured than is provided hereunder.

Definition

For the purpose of said coverage, if the policyholder or obligor elects to purchase the coverage described in this paragraph, the term "**uninsured motor vehicle**" shall also include protection of persons insured thereunder who are legally entitled to recover damages from owners or operators of insured motor vehicles, trailers or semitrailers, to which a bodily injury liability bond or policy applies at the time of the accident and its bodily injury liability bond amount or policy limit is less than the policy limit for uninsured motor vehicle coverage and is insufficient to satisfy the damages of persons insured thereunder and only to the extent that the uninsured motor vehicle coverage limits exceed said limits of bodily injury liability subject to the terms of the policy.

Notice

_____ The policyholder or obligor shall be notified that he may elect to purchase uninsured motorist liability coverage, and such notification shall be at such times and in a manner prescribed by the Commissioner.

Chapter 175: Section 111D: Uninsured vehicle endorsement

Scope / Contents of Endorsement

_____ A policy of motor vehicle liability insurance issued under subdivision (b) of clause Sixth of section forty-seven, or an endorsement or rider attached thereto, may provide for the payment of all sums which the insured or his legal representative shall be legally entitled to recover as damages from the owner or operator of an uninsured motor vehicle because of bodily injury, sickness or disease, including death resulting therefrom, sustained by the insured, caused by accident and arising out of the ownership, maintenance or use of such uninsured motor vehicle.

_____ The policy or endorsement or rider shall provide that the determination as to whether the insured or his legal representative is legally entitled to recover such damages, and if so the amount thereof, shall be made by agreement between the insured or such representative and the insurer or, if they fail to agree, by arbitration.

The provisions of section 108 (accident and health insurance) shall not apply to any such policy or endorsement or rider providing for the payment of the sums permitted by this section.

4. Comprehensive Coverage

Chapter 175: Section 113O: Fire, theft, or comprehensive coverage / Deductibles

Coverages / Deductibles

_____ All policies providing fire and theft coverage or comprehensive coverage, so-called, shall pay for loss or damage to the insured vehicle under the terms of the policy up to a limit equal to the actual cash value of the vehicle, less a deductible of \$300.

_____ Insurers shall also make available additional coverage whereby the deductible of \$500 is reduced to \$300, except that an insurer may refuse to issue such optional additional coverage on the basis of claims paid, provided that no insurer may refuse to issue such optional additional coverage because of age, sex, race, occupation or principal place of garaging of the vehicle.

_____ The charge for this additional coverage shall not exceed the actuarial cost of reducing the deductible from \$500 to \$300.

_____ Insurers shall also make available, at the option of the policyholder, a \$100 deductible applicable to damage to glass of any motor vehicle covered under the comprehensive coverage.

_____ Insurers shall also make available additional coverage to provide that, in determining actual cash value, no deduction for depreciation shall be allowed to reduce the value of the vehicle to less than an agreed value for that particular vehicle, provided the insurer is permitted to inspect the vehicle at the time of application for such additional coverage.

Direct Payment Plans

An insurer may file a plan for approval by the Commissioner providing for direct payment by the insurer to the insured for the loss of or damage to the insured motor vehicle under fire and theft coverage or comprehensive coverage, so called, prior to receipt by the insurer of a claim form from the insured stating that the repair work described in an appraisal made pursuant to regulations promulgated by the auto damage appraisers licensing board has been completed.

Such plan shall not be approved unless it:

- _____ (a) provides for a procedure acceptable to the Commissioner to resolve any dispute between the insured and the insurer as to the adequacy of the payment;
- _____ (b) provides for adequate disclosure to the insured of his or her rights hereunder; and
- _____ (c) contains such other terms and conditions as the Commissioner shall prescribe.

The Commissioner may revoke approval for such a plan if he determines that the insurer is not complying with its terms or that the plan does not carry out the purposes of this section.

The Commissioner may require any plan filed pursuant to the preceding paragraph to provide :

- _____ (a) that the insured will be given a list of at least five repair shops, geographically convenient for the insured, from which the insured may at his or her option select a shop which will without undue delay complete the repair work for the amount of the payment to the insured, plus any applicable deductible, that the insurer will guarantee the quality of the materials and workmanship used in making repairs if the repairs are performed at one of the repair shops so listed.
- _____ (b) that in no event shall the selection of vehicles for reinspection be based on the age or sex of the policyholder or of the customary operators of the vehicle, or on the principal place of garaging the vehicle;
- _____ (c) that no insurer or appraiser shall require that repairs to any motor vehicle be made at any specific repair shop, or list of repair shops;
- _____ (d) that in determining which repair shops will be listed as described above, the insurer shall consider only the quality and cost of repairs at a particular shop, the quality of the service given the customer, the responsiveness of the shop to customers' needs, the ability of the shop to perform repairs without undue delay, the geographic convenience of the shop for the insured, cooperation of the shop with pre- and post-repair inspections, and the shop's compliance with applicable laws and regulations;
- _____ (e) that a repair shop shall be included on the list prepared by the insurer if the shop agrees in writing to comply in full with the plan filed by the insurer and approved by the Commissioner;
- _____ (f) that an insurer may strike a shop from the list provided it files a statement with the Commissioner specifying the nature of the shop's failure to comply with the plan.
- _____ (g) that the insurer's plan shall include a fair and adequate procedure for relief for repair shops improperly stricken from such list; and

_____ (h) that no employee or agent of an insurer with responsibility for creating, managing or maintaining a list of repair shops as described above shall receive or ask for any payment, gift or other thing of value from any repair shop included, or seeking to be included, in the said list of repair shops, and no repair shop, or employee or owner thereof, shall give, pay or offer to give or pay any money or thing of value to any employee or agent of an insurer with responsibility for creating, managing or maintaining a list of repair shops. No repair shop, or employee, owner or agent thereof, shall give or pay, or offer to give or pay, any thing of value to any person in exchange for being included, or as an inducement to be included, on such a list of repair shops. For purposes of this paragraph, the words "**employee**", "**owner**" and "**agent**" shall also include any spouse or child of an employee, owner or agent. Violation of the provision of this paragraph may be grounds for revocation or suspension of any certificate of registration or license held pursuant to chapter 100A or this chapter.

Chapter 175: Section 113S: Inspection of vehicles prior to coverage.

Definition

For purposes of this section, "**existing customer**" shall mean an applicant for a motor vehicle liability policy who has been insured for 3 years or longer without interruption under a motor vehicle liability policy or policies issued by the insurer to which the applicant's application is submitted.

Requirements before Coverage can be Provided

_____ A motor vehicle liability policy shall not provide fire and theft coverage or comprehensive coverage, so-called, or collision or limited collision coverage for a private passenger motor vehicle prior to an inspection of that motor vehicle by the insurer. The inspection must be conducted within 7 days of the purchasing of the vehicle.

This requirement is mandatory unless:

- (1) the motor vehicle is new;
- (2) the applicant for such coverage is an existing customer of the insurer;
- (3) the motor vehicle is already insured for such coverages with the insurer by the applicant; or
- (4) inspection is waived under the circumstances indicated below.

Such circumstances may include, but are not limited to:

- (i) When requiring an inspection would cause a serious hardship to the insurer, the insured or an applicant for insurance;

(ii) When the insurer has no inspection facility or authorized representative either in the city or town in which the motor vehicle is principally garaged or within 5 miles of the said city or town.

Salvage Vehicles

_____ A motor vehicle liability policy shall not provide fire and theft coverage or comprehensive coverage, so-called, or collision or limited collision coverage for any motor vehicle for which a salvage certificate has been issued by the registrar of motor vehicles, unless a new certificate of title has been issued pursuant to MGL c. 90, s. 20D.

_____ Notwithstanding the foregoing, any insurer, authorized to issue motor vehicle liability policies may, but shall not be compelled to, issue a special policy or endorsement providing fire and theft coverage and/or comprehensive coverage, so-called, or collision or limited collision coverage for any motor vehicle having a salvage title, on such terms and conditions and subject to such inspections as the insurer shall require.

5. Chapter 175: Section 111C: Medical Pay Provisions

A policy of insurance issued under subdivision (b) of clause Sixth of section 47 insuring any person against legal liability for loss or damage on account of the injury or death of any other person, may also insure, or an endorsement or rider may be attached to the policy, to insure, irrespective of any such legal liability, any person, including the named insured under the policy, with respect to:

_____ (1) the reasonable expense of medical, surgical, x-ray, dental (including prosthetic devices), ambulance, hospital, professional nursing and funeral expenses; and

_____ (2), in the case of a motor vehicle liability policy, disability benefits on account of injury and death benefits to dependents, beneficiaries or personal representatives on account of death resulting from the ownership, maintenance or use of motor vehicles.

The provisions of sections 108 (accident and health insurance) shall not apply to any such policy or any endorsement or rider providing for any or all of the benefits permitted by this section.

IV. Combination Policies / Liability Insurance

A. Chapter 175: Section 111A: Combination Policies/Liability Insurance

_____ Two (2) or more companies may issue a single policy for insurance against loss or damage on account of the hazards specified in the 3rd clause (airplanes, seaplanes, dirigibles or other aircraft and motor vehicles other than motor boats) and in subdivisions a and b of the 6th clause of section 47 (legal liability plan loss or

damage on account of injury or death or damage to property of another excluding deliberate or intended acts).

_____ A duly authorized person should execute the policy on behalf of the companies and the corporate name of each of the companies shall be affixed to the policy.

B. Chapter 175: Section 111B: Combination policies; issuance by mutual companies; notice of reduced or eliminated coverages

Policy Requirements

Policies issued by mutual companies under section 11A and persons insured under such policies and dividends and assessments thereunder shall be subject to the provisions of the 2nd, 3rd, 4th and 5th paragraphs of section 102B. These provisions deal with a policyholder's membership in the mutual company, voting rights, dividends and the liability of the insured and company.

In addition, except as otherwise provided in said paragraphs, the following are also applicable: sections 76, 80 [so far as applicable], 81, and 98, the last paragraph of section 93 and so much of section 83 as is not inconsistent with said last paragraph of section 93, relative to policies issued by mutual fire companies, persons insured under such policies and dividends and assessments thereunder. These provisions relate to membership, and voting rights in a mutual fire insurance company, annual meetings, dividend payments, the requirements stating the contingent mutual liability of the policyholder on the policy, applications for insurance and payments of obligations and assessments by policyholders.

This section does not affect, except as provided herein, any provision of law relative to the rights, powers, duties and liabilities of mutual liability companies and persons insured thereby.

Elimination or Reduction of Coverage

_____ In the event a company or filing or rating organization eliminates or reduces certain coverages, conditions, or definitions in such policies issued under this section, the company must attach to each of such policy a printed notice setting forth what coverages, conditions or definitions have been eliminated or reduced.

If explanations of such reduced or eliminated coverages are not contained in such a printed notice attached to such policy, then such coverages, conditions or definitions shall remain in full force and effect without such reductions and eliminations.

V. Chapter 90, Section 34Q: Non-owner operators, hired motor vehicles and insurance coverage by endorsements.

_____ Notwithstanding any general or special law, regulation or rule to the contrary, liabilities incurred in the operation of motor vehicles by non-owner operators or in the operation of hired motor vehicles may be insured by endorsements in a general liability policy of insurance or by endorsements in a multi-peril policy of insurance. These

endorsements shall be distinct from, or in addition to, such endorsements presently authorized in statutory motor vehicle policies of insurance.

VI. Chapter 175: Section 22A. Combination of hazards; approval.

Section 22A. No company shall issue any policy of insurance which provides coverage against loss or damage caused by hazards specified in more than one of the clauses of section forty-seven, or which provides coverage against loss or damage to, or loss of use of, motor vehicles resulting from collision, fire, lightning, any larceny, pilferage, theft, malicious mischief, vandalism or any other perils usually insured against, or which insures any person against legal liability for loss or damage on account of the bodily injury or death of any other person or on account of any damages to property of another, arising out of the ownership, maintenance, control or use of motor vehicles, until a copy of the form of the policy has been on file for thirty days with the commissioner, unless before the expiration of said thirty days he shall have approved the form of the policy in writing; nor if the commissioner notifies the company in writing within said thirty days that the form of the policy does not comply with the laws of the commonwealth, specifying his reasons therefor, provided that the opinion of the commissioner shall be subject to review by the supreme judicial court; but nothing in the foregoing provisions of this section shall permit the incorporation in any policy issued under section one hundred and eleven A or one hundred and seventeen A, or any policy subject to section one hundred and eight or one hundred and thirteen A or one hundred and thirty-two, of any coverage not otherwise permitted by this chapter to be incorporated therein. The provisions of this paragraph shall not apply to policies authorized by section fifty-four D. Nothing in this section shall prohibit combining the following coverages, by rider or otherwise, within a single policy or contract: (a) life or endowment insurance or annuity, survivorship annuity or pure endowment insurance subject to section 132 and (b) any form of accident and sickness insurance subject to section 108.

____ We hereby certify that the form filing for automobile is stand alone and is not packaged with nay other product line. We are aware of the Massachusetts stand alone requirement and the prohibition of the inclusion of automobile coverage as a package policy.

VII. Antique Automobiles

Chapter 175: Section 113U: Antique motor car policies

____ Insurance companies undertaking to issue motor vehicle liability policies or motor vehicle liability bonds, as defined in MGL c. 90, s. 34A, may issue and deliver policies insuring antique motor cars, as defined in section 1 of said chapter 90. Antique motor car insurance policies shall be exempt from the provisions of section 113B (proceeding to fix and establish rates) and 113H (requirement that the insurer be a member of the residual market pool.)

_____ Insurers may only provide antique automobile forms for automobiles that have model years of 25 years or greater. We hereby certify that the antique automobile coverage will be afforded for vehicles with model years of 25 or greater.

VIII. Additional Filing Provisions

_____ We hereby certify that we are aware of the Division's prohibition of the adoption or use of Insurance Services Office (ISO), American Association of Insurance Service (AAIS) and other rating bureau forms for automobile insurance. We are further aware that filers are only permitted to adopt approved Automobile Insurance Bureau forms and have adhered to this requirement.

_____ Automobile Insurance Forms must be submitted as **stand-alone**. The rates may not be combined with any other lines of insurance nor may be part of a package.

Unfair and Deceptive Trade Practices:

_____ Any filing not in compliance with the above referenced requirements may be deemed to be in violation of the provisions of Chapter 176D of the Massachusetts General Laws. We hereby certify that the provisions set forth in this filing do not entail any intentional unfair and deceptive trade practices. Furthermore, we understand that we are subject to the penalties associated with practices that are in clear violation of this statute.